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Spain

Tomatoes and Products

Annual

2000

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Report Highlights:

Favorable weather during the summer resulted in a large crop in calendar year 2000. In volume, this is the second largest crop after the record of 1999. The new CAP for processed tomatoes is expected to be approved in next Council of Ministers. Under the new policy, the quota with production subsidy could be increased to 1.3 million Metric tons. The production of tomatoes for processing, is expected to move to the southwestern of Spain where the land and water are abundant.

Includes PSD changes: Yes
Includes Trade Matrix: No
Semi-Annual Report
Madrid [SP1], SP

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Executive Summary

PS&D tables for Fresh and Canned Tomatoes and Tomato Paste have been updated. Production of tomatoes for processing for the 2000/2001 marketing year amounted to about 1,381,900 Metric tons, down 18 percent from the previous year. The decline is explained mainly by unfavorable weather conditions during the planting season and a lower crop area. After planting the weather was favorable for the development of the crop. Fresh tomato production for 2000 totaled 2,215,100 Metric tons, about two percent above the previous year's crop. Area planted to tomatoes for processing during calendar year 2000 declined to 24,600 hectares. The crop area planted for fresh tomatoes remained stable. Under the new CAP for processing tomatoes, the subsidies will be allocated to farmers instead of to industry. The new system to allocate subsidies will result in larger production in areas with higher productivity and in larger total production of tomatoes for processing.

Production

Fresh Tomatoes

PSD Table						
Country	Spain					
Commodity	Fresh Tomatoes				(HA)(MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Plnt For Fresh Consump	35868	35868	35888	35888	36821	36400
Plnt For Processing	24732	24732	28512	28512	28100	24600
TOTAL Area Planted	60600	60600	64400	64400	64921	61000
Harv. For Fresh Cons.	0	0	0	0	0	0
Harv. For Processing	0	0	0	0	0	0
TOTAL Area Harvested	0	0	0	0	0	0
Fresh Sale Production	2224200	2224200	2177200	2177200	2230000	2215100
Processing Production	1336200	1336200	1687400	1687400	1663000	1381900
TOTAL Production	3560400	3560400	3864600	3864600	3893000	3597000
TOTAL SUPPLY	3560400	3560400	3864600	3864600	3893000	3597000

PS&D Canned Tomatoes

PSD Table						
Country	Spain					
Commodity	Canned Tomatoes				(MT)(MT, Net Weight)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		07/1998		07/1999		07/2000
Deliv. To Processors	253000	253000	289800	289800	285453	255000
Beginning Stocks	400	400	200	200	20000	20000
Production	206100	206100	232000	232000	228520	212500
Imports	1500	1500	1830	1830	1800	1500
TOTAL SUPPLY	208000	208000	234030	234030	250320	234000
Exports	69300	69300	57369	57369	70000	60000
Domestic Consumption	138500	138500	156661	156661	160320	160000
Ending Stocks	200	200	20000	20000	20000	14000
TOTAL DISTRIBUTION	208000	208000	234030	234030	250320	234000

PS&D Tomato Paste

PSD Table						
Country	Spain					
Commodity	Tom. Paste, 28-30% TSS Basis				(MT)(MT, Net Weight)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		07/1998		07/1999		07/2000
Deliv. To Processors	833700	833700	1091105	1091105	1050000	950000
Beginning Stocks	31000	31000	9400	9400	20900	20900
Production	146300	146300	191400	191400	184000	170000
Imports	12000	12000	8100	8100	8000	8000
TOTAL SUPPLY	189300	189300	208900	208900	212900	198900
Exports	54600	54600	60000	60000	65000	60000
Domestic Consumption	125300	125300	128000	128000	128000	128000
Ending Stocks	9400	9400	20900	20900	19900	10900
TOTAL DISTRIBUTION	189300	189300	208900	208900	212900	198900

During 2000/2001, an estimated 1,320,000 Metric tons of tomatoes were delivered to the industry: 140,000 Metric tons were processed into whole peeled tomatoes; about 230,000 Metric tons were processed under the category of "Others", with about 50 percent of this quantity made into puree peeled tomatoes "tomate triturado"; and 950,000 Metric tons were processed into tomato paste.

For the next few years an increase in exports of paste and canned tomatoes is expected due to an increase in raw material availability.

Net to raw weight equivalent: paste 0.178 (5.6 to 1); peeled 0.850 (1.20 to 1).

Current exchange rate is as follows: 1 Euro/ 166.38 pesetas. 1 U.S.\$/194 pesetas.

Policy

The EU Commission established the aid granted to processors for marketing year 2000/2001 obtained from the following quantities of fresh tomatoes: tomato concentrate, 731,000 Metric tons; whole peeled tomatoes, 138,000 Metric tons, and other tomato products, 142,000 Metric tons. These quantities total 1,011,000 Metric tons.

In the next few days the new Common Agricultural Policy for processed tomatoes will be approved. Under the new policy the production aid will be allocated to farmers instead of industries. This could result in a larger production of tomatoes in areas with better conditions for production. According to the Spanish Ministry of Agriculture, the production quota with aid may be increased to 1.24 million Metric tons. According to trade sources the production of tomatoes for processing under the new CAP could rise to about 1.6 million Metric tons over the next few years, this is about 375,000 Metric tons over the new quota.

EC Regulation 1519/2000, of July 12, 2000, established the minimum price and the amount of production aid for processed tomato products as follows:

Minimum Price

Product Tomatoes intended for the manufacture of:	1999/2000 - ECU/100Kg	2000/2001- ECU/100Kg
a) tomato concentrate and juice with a soluble dry weight content of between 4.8 and 5.4 %	8,805	8,805
b) preserved whole peeled and unpeeled or frozen whole peeled tomatoes:		
- San Marzano variety	14,575	14,575
- Roma and similar varieties	11,212	11,212
c) preserved non-whole peeled and unpeeled and non-whole frozen peeled tomatoes:	8,805	8,805
d) tomato flakes with a soluble dry weight content of between 4.8 and 5.4 %	11,212	11,212

Production Aid

Product	EUR/100 Kg. net
1. Tomato concentrates with a dry weight content of 28% or more but less than 30%	17,178
2. Preserved whole peeled tomatoes in tomato juice:	
a) San Marzano variety	6,528
b) Roma and similar varieties	4,604
3. Preserved whole peeled tomatoes of the Roma or similar varieties in water	3,913
4. Preserved whole unpeeled tomatoes of the Roma or similar varieties	3,223
5. Frozen whole peeled tomatoes:	
a) San Marzano variety	6,528
b) Roma and similar varieties	4,604
6. Preserved peeled tomatoes, non-whole or in pieces	3,223
7. Preserved unpeeled tomatoes, non-whole or in pieces	3,223
8. Non-whole frozen peeled tomatoes	3,223
9. Tomato flakes	57,162
10. Tomato juice with a dry content of 7% or more but less than 12%:	
a) with a dry weight content of 7% or more but less than 8%	4,443
b) with a dry weight content of 8% or more but less than 10%	5,331
c) with a dry weight content of 10% or more	6,516
11. Tomato juice with a dry weight content of less than 7%:	
a) with a dry weight content of 5% or more	3,554
b) with a dry weight content of 4.5% or more but less than 5%	2,814